

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: OFFICE OF CONSUMER ADVOCATE, Complainant, vs. I4MATION, INC., Respondent.	DOCKET NO. FCU-03-58
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**ORDER DOCKETING FOR FORMAL PROCEEDING
AND REQUESTING RESPONSE**

(Issued January 20, 2004)

On December 22, 2003, the Consumer Advocate Division of the Department of Justice (Consumer Advocate) filed with the Utilities Board (Board) a petition for a proceeding to impose civil penalties pursuant to Iowa Code § 476.103 (2003), asking that the Board review the proposed resolution issued in C-03-255, involving I4Mation, Inc. (I4Mation), and consider the possibility of assessing a civil penalty pursuant to Iowa Code § 476.103(4)"a." Based upon the record assembled in the informal complaint proceedings (which is a part of the record in this proceeding pursuant to 199 IAC 6.7), it appears the events to date can be summarized as follows:

On November 19, 2003, Mr. Kevin Klock of Rite-Way Auto Body of Des Moines, Iowa, submitted a complaint with the Board alleging that I4Mation placed

unauthorized charges for Internet services on Mr. Klock's business telephone bill. Board staff identified the matter as C-03-255 and, pursuant to Board rules, on November 20, 2003, forwarded the complaint to I4Mation for response within ten days. I4Mation did not respond within the ten-day time limit.

On December 12, 2003, Board staff issued a proposed resolution describing these events and finding by default that I4Mation had violated the Board's cramming rules. The proposed resolution directed I4Mation to fully credit all charges on Mr. Klock's account and to close Mr. Klock's account. No party other than the Consumer Advocate has challenged the staff's recommendation.

In its December 22, 2003, petition, Consumer Advocate asserts that a civil penalty should be imposed against I4Mation to deter future cramming violations. In addition, Consumer Advocate asserts that other cramming complaints received by Board staff have named I4Mation as the alleged violating company. Consumer Advocate requests the Board docket this complaint for a formal proceeding and impose civil penalties on I4Mation. I4Mation has not responded to Consumer Advocate's petition.

The Board has reviewed the record to date as well as the additional slamming complaints made against I4Mation and finds that there is sufficient information to warrant further investigation in this matter. The Board will delay establishing a procedural schedule until March 19, 2003, and require that I4Mation respond to the allegations raised in Consumer Advocate's petition.

IT IS THEREFORE ORDERED:

1. The "Petition for Proceeding to Impose Civil Penalty" filed by the Consumer Advocate Division of the Department of Justice on December 22, 2003, identified as Docket No. FCU-03-58, is granted and docketed for formal proceeding.

2. I4Mation, Inc., is directed to file a response to the petition filed by Consumer Advocate on December 22, 2003, on or before March 19, 2004.

UTILITIES BOARD

/s/ Diane Munns

/s/ Mark O. Lambert

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 20th day of January, 2004.